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September 29, 2003

Ms. Marlene H. Dortch
Secretary, Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: In the Matter of Appropriate Framework for Broadband Access to the Internet over Wireline Facilities, CC Docket No. 02-33
Universal Service Obligations of Broadband Providers, CC Docket No. 02-33
Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services; 1998 Biennial Regulatory Review – Review of Computer III and ONA Safeguards and Requirements, CC Dockets Nos. 95-20, 98-10
Appropriate Regulatory Treatment for Broadband Access to the Internet over Cable Facilities, CS Docket No. 02-52

Notice of Written Ex Parte Presentation

Dear Ms. Dortch:

The attached letter was sent to Chairman Michael K. Powell today. In accordance with Section 1.1206, I am filing this notice electronically and request that you please place it in the record of the proceeding identified above.

Sincerely,



Attachment

cc: Chairman Michael K. Powell
Commissioner Kathleen Q. Abernathy
Commissioner Jonathan S. Adelstein
Commissioner Michael J. Copps
Commissioner Kevin J. Martin

Kenneth Ferree
William Maher
Robert Pepper
Bryan Tramont
Jon Cody

Christopher Libertelli
Mathew Brill
Daniel Gonzalez
Jessica Rosenworcel
Lisa Zaina

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Chairman
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Re:

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Enhanced Services; 1998 Biennial Regulatory Review – Review of Computer III and
ONA Safeguards and Requirements, CC Dockets Nos. 95-20, 98-10
Appropriate Regulatory Treatment for Broadband Access to the Internet over
Cable Facilities, CS Docket No. 02-52

Notice of Written Ex Parte Presentation

Dear Chairman Powell:

This letter is written in support of a proposal that the High Tech Broadband Coalition ("HTBC" or "Coalition") recently filed with the Commission entitled, *Broadband Principles for Consumer Connectivity*. BellSouth shares HTBC's view that the nation and the economy would benefit greatly were the Commission to adopt a single national broadband policy that enhances broadband investment, competition, and growth. For this reason, BellSouth strongly encourages the Commission to embrace HTBC's proposal as a very significant and much needed step in this direction.

As representative of many of the major suppliers of Broadband-related technology, HTBC is uniquely positioned to understand that the market for Broadband services already is highly competitive. BellSouth believes that the deregulatory approach put forth by HTBC provides a more stable and predictable environment, free of unnecessary

regulatory costs, in which investment decisions can be made to deploy the network facilities required to support the next generation of broadband services.

In particular, BellSouth agrees with the Coalition that wireline broadband services should be subject only to minimal regulation. The record in the aforementioned proceedings demonstrates, without serious challenge, that cable modem service currently enjoys twice the Broadband market-share of the incumbent telephone companies -- while only the ILECs are subject to significant regulation. Allowing *all* broadband providers the freedom to meet market demand through commercial agreements is key to bringing the most advanced services to consumers quickly. BellSouth strongly supports the HTBC's proposal to treat Broadband services under Title I, eliminating the Computer Inquiry rules and a myriad of other regulations that currently serve only to hamper, and add meaningless costs to, the development of broadband services. The proposed two-year transition plan offered by the Coalition is a reasonable approach that would provide ISPs and other wholesale Broadband purchasers ample time to enter into alternative contractual arrangements.

It is critical that the Commission bring stability to this area by firmly adopting a two-year total sunset, as proposed by the Coalition. Vagueness and ambiguity in this important area will only further stifle investment decisions, and undermine the public interest in seeing the next generation of broadband services become a reality. By continuing the prospect of unnecessary regulation, the absence of a clear sunset will handicap the development of innovative wireline broadband service offerings to businesses and consumers. It could also further cement cable operators already dominant share of the consumer broadband markets, possibly to the point of eliciting economic regulation of cable modem service.

Finally, BellSouth supports the Connectivity Principles put forth by HTBC. BellSouth also firmly agrees with HTBC that it is premature for the Commission to promulgate rules in this area. As noted previously, the most effective way to incent next generation broadband deployment is by adopting a market-driven national policy that is grounded in the belief that commercial agreements among carriers and with customers will result in both customers and carriers receiving what they want, as opposed to government mandates that effectively decide what they will get. Thus, BellSouth supports the Connectivity Principles' goal of encouraging the development of broadband services and content, but cautions that any additional regulation in this area must be very careful not to dampen the incentives of both network and content providers to innovate.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert T. Blum".

cc:

Ms. Marlene H. Dortch, Secretary
Commissioner Kathleen Q. Abernathy
Commissioner Jonathan S. Adelstein
Commissioner Michael J. Copps
Commissioner Kevin J. Martin
Kenneth Ferree, Chief Mass Media Bureau
William Maher, Chief Wireline Competition Bureau
Robert Pepper, Office of Strategic Plans and Policy
Bryan Tramont
Jon Cody
Christopher Libertelli
Mathew Brill
Daniel Gonzalez
Jessica Rosenworcel
Lisa Zaina